

COMMISSIONERS  
JEFF HATCH-MILLER - Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES

BRIAN C. McNEIL  
EXECUTIVE SECRETARY

ORIGINAL 8/25/05



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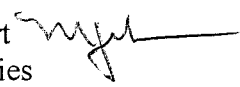
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E-MAIL: accsec@ccsd.cc.state.az.us

618

ARIZONA CORPORATION COMMISSION

MEMORANDUM

**TO:** Jeff Hatch-Miller, Chairman  
William A. Mundell  
Marc Spitzer  
Mike Gleason  
Kristin K. Mayes

**FROM:** Matthew J. Neubert   
Director of Securities

**DATE:** August 11, 2005

**RE:** Proposed Order re: Terri A. Sheehy, Docket No. S-03593A-05-0000

**CC:** Brian C. McNeil, Executive Secretary

AZ CORP COMMISSION  
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Attached is a proposed Order of Restitution and Consent to Same ordering Terri A. Sheehy to pay \$10,000 in restitution for losses incurred by an Arizona investor, a retired nurse and home-maker, as a result of Mark J. Sheehy's violations of the Securities Act.

On April 15, 2005, the Securities Division filed a Notice of Opportunity for Hearing against Mark J. Sheehy and Jane Doe Sheehy, alleging multiple violations of the Act in connection with his employment as a registered securities salesman. Ms. Sheehy was joined in the proceeding pursuant to A.R.S. § 44-2031(C) solely for purposes of determining the liability of the marital community.

Mark Sheehy was served with the Notice and failed to respond. On July 11, 2005, the Commission entered a default order against Sheehy, revoking his securities salesman's registration and ordering him to pay restitution and administrative penalties as a result of his misconduct. The Order against Sheehy found that from around January 2003 through January 2005, he solicited investments from his client in violation of the anti-fraud provisions of the Securities Act, and conducted unauthorized transactions in her securities account.

The proposed Order finds that the misconduct occurred during the time period that Terri A. Sheehy was married to Mark J. Sheehy, that Sheehy was acting for the benefit and in furtherance of the marital community, and that Sheehy's conduct binds the community pursuant to A.R.S. § 25-214.

The Division recommends approval of the proposed Order as in the public interest.

Originator: Pam Johnson

**COMMISSIONERS**  
JEFF HATCH-MILLER - Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES

BRIAN C. McNEIL  
EXECUTIVE SECRETARY



MATTHEW J. NEUBERT  
DIRECTOR

SECURITIES DIVISION  
1300 West Washington, Third Floor  
Phoenix, AZ 85007  
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ARIZONA CORPORATION COMMISSION

MEMORANDUM

**TO:** Jeff Hatch-Miller, Chairman  
William A. Mundell  
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Director of Securities

**DATE:** August 10, 2005

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1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 JEFF HATCH-MILLER, Chairman  
4 WILLIAM A. MUNDELL  
5 MARC SPITZER  
6 MIKE GLEASON  
KRISTIN K. MAYES

7 In the matter of )

8 MARK J. SHEEHY, CRD#2224709, and )  
9 JANE DOE SHEEHY, husband and wife, )  
28432 N. 112<sup>th</sup> Way )  
Scottsdale, AZ 85262 )

10 Respondents. )

DOCKET NO. S-03593A-05-0000

11 DECISION NO. \_\_\_\_\_

**ORDER OF RESTITUTION AND CONSENT  
TO SAME**

12 Respondent Jane Doe Sheehy aka Terri A. Sheehy ("Respondent") elects to permanently  
13 waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona,  
14 A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order of Restitution and Consent to  
15 Same ("Order"). Respondent admits the jurisdiction of the Arizona Corporation Commission  
16 ("Commission"); neither admits nor denies the Findings of Fact and Conclusions of Law contained  
17 in this Order; and consents to the entry of this Order by the Commission.

18 **I.**

19 **FINDINGS OF FACT**

20 1. Respondent was at all relevant times the spouse of Respondent MARK J. SHEEHY.  
21 Respondent was joined in this action under A.R.S. § 44-2031(C) solely for purposes of determining  
22 the liability of the marital community.

23 2. At all relevant times, SHEEHY was acting for the benefit and in furtherance of the  
24 marital community.

25 3. On July 11, 2005, the Commission entered a default order against MARK J.  
26 SHEEHY, Decision Number 67962, in which the Commission revoked Mr. SHEEHY's securities

1 salesman's registration and ordered him to pay restitution and administrative penalties as a result of  
2 his misconduct involving his former client, Lynn Morris.

3 **II.**

4 **CONCLUSIONS OF LAW**

5 1. The Commission has jurisdiction over this matter pursuant to Article XV of the  
6 Arizona Constitution and the Securities Act.

7 2. MARK J. SHEEHY offered or sold securities within or from Arizona, within the  
8 meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

9 3. MARK J. SHEEHY violated A.R.S. § 44-1991 by (a) employing a device, scheme  
10 or artifice to defraud, (b) making untrue statements or misleading omissions of material facts,  
11 and/or (c) engaging in transactions, practices or courses of business which operate or would  
12 operate as a fraud or deceit.

13 4. MARK J. SHEEHY's conduct is grounds for an order of restitution pursuant to  
14 A.R.S. § 44-2032.

15 5. MARK J. SHEEHY's conduct binds the community pursuant to A.R.S. § 25-214.

16 **III.**

17 **ORDER**

18 THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondent's  
19 consent to the entry of this Order, attached and incorporated by reference, the Commission finds  
20 that the following relief is appropriate, in the public interest, and necessary for the protection of  
21 investors:

22 IT IS ORDERED that Respondent comply with the attached Consent to Entry of Order.

23 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032, that Respondent shall pay the  
24 amount of \$10,000, by cashier's check or money order payable to the "State of Arizona," to be  
25 disbursed as restitution to the investor, Lynn Morris. If Respondent does not tender full payment  
26 upon entry of this Order, any outstanding balance shall be in default and shall be immediately due

1 and payable without notice or demand, plus interest at the rate of 10% per annum from the date of  
2 the investment.

3 IT IS FURTHER ORDERED that this Order shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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6  
7 CHAIRMAN

COMMISSIONER

8  
9  
10 COMMISSIONER

COMMISSIONER

COMMISSIONER

11  
12 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
13 Executive Director of the Arizona Corporation  
14 Commission, have hereunto set my hand and caused the  
15 official seal of the Commission to be affixed at the  
16 Capitol, in the City of Phoenix, this \_\_\_\_\_ day of  
17 \_\_\_\_\_, 2005.

18 BRIAN C. McNEIL  
19 Executive Director

20 DISSENT

21  
22 DISSENT

23 This document is available in alternative formats by contacting Linda Hogan, Executive Assistant  
24 to the Executive Director, voice phone number 602-542-3931, E-mail [lhogan@cc.state.az.us](mailto:lhogan@cc.state.az.us).

25 (PTJ)  
26

**CONSENT TO ENTRY OF ORDER**

1  
2           1.     Respondent Terri A. Sheehy ("Respondent"), former spouse of MARK J.  
3 SHEEHY, admits the jurisdiction of the Commission. Respondent acknowledges that she has been  
4 fully advised of her right to a hearing to present evidence and call witnesses and Respondent  
5 knowingly and voluntarily waives any and all rights to a hearing before the Commission and all  
6 other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona  
7 Administrative Code. Respondent acknowledges that this Order of Restitution and Consent to  
8 Same ("Order") constitutes a valid final order of the Commission.

9           2.     Respondent knowingly and voluntarily waives any right under Article 12 of the  
10 Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief  
11 resulting from the entry of this Order.

12           3.     Respondent acknowledges and agrees that this Order is entered into freely and  
13 voluntarily and that no promise was made or coercion used to induce such entry.

14           4.     Respondent acknowledges that she has been represented by an attorney in this  
15 matter, she has reviewed this Order with her attorney and understands all terms it contains.

16           5.     Respondent neither admits nor denies the Findings of Fact or Conclusions of Law  
17 contained in this Order.

18           6.     By consenting to the entry of this Order, Respondent agrees not to take any action  
19 or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding  
20 of Fact or Conclusion of Law in this Order or creating the impression that this Order is without  
21 factual basis. Respondent will undertake steps necessary to assure that all of her agents and  
22 employees understand and comply with this agreement.

23 ...


24 ...

25 ...

26 ...

Docket No. S-03593-05-0000

1        7.        Respondent consents to the entry of this Order and agrees to be fully bound by its  
2 terms and conditions.

3  
4  
5          
6        Terri A. Sheehy

6        State of Arizona        )  
7        County of Maricopa        )

8        SUBSCRIBED AND SWORN TO BEFORE me this 11<sup>th</sup> day of August, 2005.

9  
10          
11        NOTARY PUBLIC

11        My Commission Expires:

12        July 21, 2008

